

ATTENDANCE: Council member Linda Carter, Mike Hardy, Brian Hulet, Scott Phillips and Doug Welton; City Manager Dave Tuckett; Finance Director Sara Hubbs; City Attorney Mark Sorenson.

Mayor Moore was excused.

Meeting began at 5:01 pm.

WORKSESSION: FISCAL YEAR 2017 BUDGET

Finance Director Sara Hubbs presented information pertaining to the Fiscal Year (FY) 2017 Budget. She showed a list of capital projects. Councilmember Hardy asked what the expenses were going to be used for, for McMullin Park and Hollow Park. Ms. Hubbs showed the expenses would be used for improving the restrooms and the kitchen.

Ms. Hubbs presented the following budget information:

REVENUES:

- SALES TAX –
 - Increased to \$2,900,000 (collected \$2,836,000 in FY15)
- PROPERTY TAX –
 - Balanced budget without tax increase
- WATER FUND –
 - Proposed monthly rate increase of \$6
- EMPLOYEES –
 - No Wage increases
 - Increase employee portion of health insurance premiums by 1% (\$30/month)
 - New employee to be shared with Development Services and Recorder
 - Police did not fill a position that will retire next year

CAPITAL IMPROVEMENTS:

- MAINTENANCE
 - Golf Roof - \$30,000
 - Golf Furnace -\$8,000
 - Outside Doors at City Center - \$2,000
 - Coil 2 Replacement City Center - \$8,000
- CEMETERY
 - 4 Filters - \$8,000
- FIRE
 - 5 Ton -\$20,000
- PARKS
 - Hollow Park - \$2,300
 - Temple View Playground-\$1,800
 - McMullin Park - \$4,300
 - Trail Improvements -\$5,000
 - Sprinkler and Seed on American Way Corner - \$500
- WATER
 - Well House- \$30,000
 - Temkin Fire Flow -\$80,000
 - PI Meters - \$600,000 (\$300,000 Grant)

May 18, 2016 PAYSON CITY COUNCIL MEETING MINUTES

- Connection to Lateral 20 - \$400,000 (First Payment)
 - 400 South Water Line 4" to 12" - \$500,000
- ELECTRIC
 - Improvements Lighting-\$48,000
 - Electric Replace Tools - \$17,049
- SEWER
 - Sewer Upgrade Savings - \$300,000
 - Sewer Aerators Repairs - \$50,000
 - Sewer Sludge Pump - \$30,000
 - Sewer Line Repairs -\$190,000
- AMBULANCE
 - New Ambulance - \$200,000
- GOLF
 - Trees on Driving Range - \$4,500
 - Tee-Box - \$5,000
- STORM
 - Land Acquisition - \$100,000
- CLASS C ROADS
 - Slurry Coating - \$30,000
 - Crack Seal - \$20,000
 - 100 South Project -\$44,000
 - Utah Avenue - \$44,000
 - 1400 S. Light Poles - \$8,000
 - Misc. Overlay 300,000 sq. ft. - \$180,000
 - 600 E. 400 S. - \$65,000
 - Traffic Paint - \$20,000
 - Barricades for Special Events - \$1,700
- VEHICLES
 - Streets ¾ Ton Truck
 - Development Services ½ ton truck
 - City Grounds Mower
 - Electric ½ ton truck
 - Maintenance side by side with plow
 - 40 golf carts
 - Parks ½ ton truck
 - Sewer Explorer
 - Sewer ¾ ton truck
- CAPITAL IMPROVEMENTS POSTPONED
 - Parking lot improvements – City Center \$34,000
 - City Center Carpet - \$10,000
 - Boiler replacement at City Center \$130,00
 - Ball Park Fence Repairs - \$40,000
 - New Soccer Field - \$200,000
 - LED Lighting - \$5,000
 - Cemetery Slipped Curb - \$54,400
 - Cemetery Asphalt Around Building - \$15,000
 - Fire Water Tender - \$300,000
 - Memorial Park \$15,400

May 18, 2016 PAYSON CITY COUNCIL MEETING MINUTES

- Golf Change Sprinklers - \$26,893
- New Roof on Restroom Hole 6 - \$2,500
- Golf Reception Center / RV Park
- Ambulance Building
- Cemetery Building

Councilmember Hulet asked staff if they knew where the sewer line repairs would be. Ms. Hubbs said that there are not specific lines, but it was included in case there were any issues with the sewer lines because they are old. Public Works Director Travis Jockumsen said they may even try to slip line some of the sewer lines if possible. Councilmember Phillips asked if the Ridge Lane sewer repair was included in this year's budget (FY16). Ms. Hubbs confirmed that

Councilmember Carter asked for further clarification on the property that is proposed to be purchased in the Storm budget. Mr. Tuckett said it is to purchase a corner of the Thompson's property. He said the city has already purchased Lois Knuteson's property and this corner is needed as well for the regional storm facility.

Councilmember Hulet said he looked on line at companies that lease vehicles and wasn't sure if it would make a difference or not to lease it. Mr. Tuckett said that the city is trying to lease from itself using the revolving loan fund, but this ambulance is being purchased using fund balance.

Councilmember Welton asked if the golf carts could be used out of the depreciation fund. Ms. Hubbs said the depreciation expense helps to build up the cash balance to help buy the new carts. She mentioned the depreciation is not a specific fund that can be used to purchase golf carts, but affects the overall fund balance.

Ms. Hubbs mentioned that she had not budgeted for the trees that the Council wanted to replace on Main Street. Councilmember Phillips said he had trees that he would donate to the city, but he would like help from the city staff to help plant them.

Ms. Hubbs showed debt of the city to be at \$23,508,000 in FY2014; \$22,909,000 in FY2015; and \$21,285,000 in FY2016. Councilmember Welton asked what a good debt ratio is for Payson. Ms. Hubbs said she wasn't sure. Councilmember Phillips said it depends on the size of the city. Mr. Tuckett said that he would contact Johnathan Ward with Zions to see if he can get that information. Ms. Hubbs said that if Payson is compared to other cities that are growing like it is, Payson is probably average.

Ms. Hubbs presented fund balance information. She reported that the audited general fund balance for FY15 was \$1,800,000 which is about 18% of budgeted revenues and the projected for FY16 will decrease to \$1,500,000 which is about 14% of budgeted revenues. She said state law requires cities to have general fund balance between 5%-25%, but she would like to have fund balance closer to 25% so when the recession hits the city will be able to function and not go into crisis mode.

She mentioned the Class C fund balance will drop in FY16 due to the \$90,000 use of fund balance to resurface turf farm road. She reported water fund balance for FY15 was at \$1,400,000; the projected

FY16 was at \$1,200,000; and the projected FY17 fund balance is at \$349,387 if there is a \$6 monthly rate increase. She said the \$6 monthly rate increase would bring in about \$390,000 each year. She said if the city wasn't paying for the Four-Bay property the fund balance and projections would be very different. She said the water projections include projects that the city has committed to except for the four-inch water line project that needs to be upgraded to a 12-inch water line on 400 South. Councilmember Phillips said the project keeps being kicked down the road and if it would have been taken care of a long time ago, the city wouldn't be in the boat that it is in.

Ms. Hubbs said she and Mr. Tuckett has really tried to figure out how to address the water needs without doing a rate increase, but projects keep being pushed off. Councilmember Carter asked why it has taken the city so long to connect to the Lateral 20. She asked if someone was fighting it. Mr. Tuckett said that they had negotiated it for quite some time, but High Line and the City could never come to a point where High Line said they wanted to be the service agents. He said when Jameson was here they thought they reached a point that High Line was in charge of the transmission line and then the City would tap off and take it from there, but when Derek came on he said that High Line may want to service all the customers, which caused it to move back a little bit. He said they should have had an agreement in place to make sure they couldn't go back.

Councilmember Carter asked who's fault that was. Ms. Hubbs said that we need to focus on what we can do going forward and how can we correct some of these issues. Councilmember Welton said that if the city connected at the beginning or the end of the year he doesn't think it hurts it either way. Councilmember Phillips said the issue is that if it would have been figured out and paid for years ago, the city wouldn't be looking at an \$800,000 charge to connect to Lateral 20 or it could have been paid off by now.

Councilmember Phillips asked if the \$6 rate increase could be earmarked for specific projects. Ms. Hubbs confirmed that the rate increase could be earmarked for capital improvements and not used for operating expenses.

Ms. Hubbs reported Electric fund balance for FY15 was at (\$40,000); the projected FY16 was at \$1,000,000; and the projected FY17 fund balance is at \$1,100,000. She noted the decline in the FY15 year was due to accounting entries that she had to make to comply with Generally Accepted Accounting Principles (GAAP) accounting. She said she had to record 13 power purchased payments instead of the typical 12 payments, which is about \$700,000 each payment.

Councilmember Phillips asked what the \$900,000 project was for out of the impact fees. Mr. Jockumsen said it was for the transmission line that goes down through the business park to Taylor Ranch and back up through the highway. Councilmember Phillips asked if this project is duplicating what Strawberry Electric Service District (SESD) has already done. Mr. Jockumsen said that they try to do them on the same pole. Mr. Sorenson said that it is designed to go on one pole. Councilmember Welton asked if the money had been spent. Ms. Hubbs stated it hasn't been spent, but they are working on the project which has been approved in the past impact fee budget. Councilmember Phillips asked Councilmember Hardy if he had any comments.

Ms. Hubbs showed that the Sewer fund balance is increasing which is what they need to help cover the costs of the sewer plant upgrade. She asked Mr. Jockumsen if the city had heard any other updates from Salem about their plans. He responded that he hasn't heard anything officially, but it looks like they will most likely build their own sewer plant. Ms. Hubbs said Salem City will be having an open house for their citizens to weigh in on the options.

Ms. Hubbs showed that the sewer department has earmarked \$300,000 to be saved each year for the sewer upgrade and will try to save more for the upgrade if possible.

Ms. Hubbs showed the Storm fund balance is declining and recommended that its rates be looked at. She said that the costs keep increasing, but the rates remain the same. She said that if nothing else a CPI increase should be considered. Councilmember Welton asked what type of projects are planned in the Storm fund. Councilmember Phillips mentioned the storm retention project that was being discussed at the beginning of the meeting. Councilmember Welton said that he just received a message from someone who lives across from the old Hillman Fields and he said they constantly have overflow every night for the past five years. Councilmember Welton asked if it happens continually in the same spot, does that make it a priority. Councilmember Phillips stated they have to work their way from the bottom to the top.

Mr. Jockumsen said that if there isn't a place to put it, then starting somewhere in the middle causes problems for the person down the road because there is nowhere to put it. Councilmember Welton asked if \$30 million is needed to do the entire project or where can it start to address these continual problem areas. Mr. Jockumsen said that they will need to first decide where to put a retention basin, buy someone's property, and test the areas which none of it is cheap. Councilmember Welton agreed but asked if staff had a plan or if it was being kicked down the road. Mr. Jockumsen said they suggested doing a storm drain master plan, but it was kicked out of the budget because it is \$100,000.

Recreation Director Karl Teemant asked if some of the fund balance could be used to pay for the master plan. Councilmember Phillips stated that the city had master plan and did nothing and will get another one and do nothing again because there is no money to do anything. Councilmember Welton asked how much fund balance is needed in order to be able to do something with the master plan. Mr. Jockumsen said the retention pond and piping could be a couple million dollars to get started, but doesn't know the exact cost. Mr. Jockumsen said he is aware of the problems, but just doesn't have the resources to address them. Councilmember Welton said he would like to know where the city needs to be to start addressing the issues.

Councilmember Phillips said that he as a business owner is frustrated because his storm drain fee is higher than all the other city fees. He said \$5.53 per household is doable but businesses like Temkin pay an astronomical amount and it would be nice to see some benefits from those fees. Councilmember Hardy said he is concerned that the city is trying to ignore getting a plan in place and saying it will get rid of debt first, but that is never going to happen. Mr. Jockumsen said knowing where to start is going to be the biggest challenge. Councilmember Phillips said they have been doing more, but to correct the problem at 8th West there will need to be pipe put under the freeway unless it is piped to the pit.

Mr. Tuckett said staff probably needs to figure out how much it will cost to fix the worst part, which is down town. He said there was a plan in 1991 from Perkins and Thurgood, which would have cost the city \$10,000,000 to do the entire city, but city council would not adopt it. He said ten years later the city does another study and the cost now jumps to \$22,000,000. Councilmember Phillips brought up that a lot of people installed curb and gutter themselves. Mr. Tuckett said the people installed curb and gutter because the city said they were going to bond to do the project, but it never was approved because the city council didn't want to go into debt. He said if we do another study the cost of the project to fix the entire city may be \$50,000,000. He said the problem is having the ability to fix it no matter what even if that means raising rates up to \$30 a month. He said it is not worth doing the study if it is just going to sit on the shelf and not be implemented.

Mr. Tuckett said that he doesn't know if we bond to get the storm drain basin, but the city is trying to get out of debt, but he feels like something needs to be done. Councilmember Hulet said that when he talks about reducing debt, he is talking about reducing frivolous debt, and knows the city will probably have to go into debt to get things done and be smart about it. Councilmember Phillips said that it is going to be difficult to raise rates on citizens that already have their curb and gutter in place.

Ms. Hubbs showed the fund balance projections for the ambulance and the golf funds. She noted the ambulance fund balance is projected to drop in FY2017, but that is because fund balance is being used to purchase an ambulance. She showed that Golf fund balance increased exponentially in FY15 due to the transfer from the capital projects fund. She said they are working on getting the unrestricted fund balance in the positive, but will get there slowly but surely.

Ms. Hubbs showed the property tax rates for the different cities in Utah County. She noted that if Payson were to charge the same rate as Alpine City, the city next highest from Payson, it would generate \$151,000 in revenue for the city and be about a \$36 annual increase on property with a taxable value of \$180,000. She noted if Payson were to charge the average rate of Utah county cities, it would generate \$455,000 in revenue and be about a \$108 annual increase on property with a taxable value of \$180,000.

Councilmember Hulet said that everything has to be looked at when the city is growing and trying to balance the budget. Ms. Hubbs said that the Electric fund is paying for the UTOPIA payment which is about \$267,000 a year. She asked Council if they would like to create a Telecom fund and move that cost to that fund and charge households a \$4 monthly fee to cover that payment. She said creating the Telecom fund and moving the UTOPIA cost to it is more transparent and that fee can drop off in 2027 when it is paid off. She said if the UTOPIA payment is moved out, it may reduce the electric rates, which Dave Berg is conducting a rate study right now. Councilmember Welton said he is all for transparency, but the city will have a PR battle when people can't access it have to pay for it.

Mr. Tuckett said that he has heard many complaints that the UTOPIA payment is part of the reason the electric rates are so high. Councilmember Hardy said that he likes the idea of making it more transparent. Councilmember Hardy asked if the electric rates will be reduced if UTOPIA is move out of the electric fund. Ms. Hubbs said that she isn't sure, but she will talk with Dave Berg, the consultant conducting the electric rate study, and see if that would reduce the rates.

Councilmember Hardy said that he knows the budget doesn't include a property tax increase, but he would like to get the citizens familiar with the idea that adjustments need to be made there as well. Councilmember Phillips said at a minimum the rate should be kept the same. Ms. Hubbs said as soon as she receives the certified tax rate information, she will be sure to pass on the information to everyone.

Councilmember Hulet said that there will be a meeting regarding the RAP tax tomorrow night. He said there will be people from different organizations like the People Preserving Peteetneet, Huish Theater, Payson Community Theater, and the Trails Commission. He said he is trying to get the citizens involved and see if that is something citizens really want.

Councilmember Hulet said that he has brought up the RV Park because he feels that would help generate more revenue for the city. Ms. Hubbs said that if golf could have non golf revenue it would help alleviate the transfer that is made from the general fund to the golf fund. Councilmember Carter asked how many stalls there were. Golf Pro Tracy Zobell said there were 30 stalls and he said that he has been doing research on how much it would cost. He said the first thing that needs to be done is to install the sewer. He said they could put in gravel instead of concrete pads if needed.

He said other facilities are getting around \$30-\$40 a night. He said he would like to design it to include spacing for tents and even maybe stock the pond with fish. He said he has a friend who owns the golf course in Morgan and the RV Park doesn't have any electricity and they do around \$40,000-\$45,000 each year in the RV Park. He said that is just the RV park and they don't necessarily know how much that increases there golf course. Councilmember Phillips asked how many days a week it would be open. Mr. Zobell said seven days a week. Mr. Zobell said that he will need some money to market the RV park.

Councilmember Hulet said he would like to see some bids on upgrading the RV park and also a pro forma on revenues, so we can decide if we can do something this year. Councilmember Hulet said that he knows it's not in the budget, but after looking at the projections if it is a good idea, he would like to find a way to get it in the budget. Ms. Hubbs said that there is money if the revolving-loan fund that could be used for the project. Mr. Tuckett asked if it would be better to just focus on the RV park separate from the reception center. Councilmember Hulet said that he would like to just address the RV Park first and then address the reception center at a later time.

Mr. Zobell said that he has contacted every golf course that has a reception center and the average cost to rent the building is \$2,500 for an evening event. He said the range is from \$1,500 to \$4,000. He said that he and Ms. Hubbs will put together a presentation of the reception center.

Councilmember Hulet addressed the snack shack and restaurant operations and noted that they are operating at break even and just thought it might be worth looking into leasing out the operations. Mr. Teemant said that he hasn't completed a full research, but he said he talked with Spanish Fork and they did lease it out for a year, but citizens complained that the quality went down and the price went up. Councilmember Hulet said he isn't suggesting that we change, but just thought it is something worth looking into. Mr. Zobell said that he has done it four different times and some of the challenges are pricing, hours of operation, and quality of food. He said that the quality and price of the food affect the

tournaments because if other places are better and charging less the tournaments will move to those golf courses.

Councilmember Phillips asked if the Golf Course Condos have been bagged. He said he thought if they could be marketed and sold, then those funds could be used to build the reception center. Mr. Zobell said that it hasn't been forgotten and said that he has been in meetings with Elk Ridge where they have told him that they can't service the water needs. Mr. Zobell said he is all for doing something different if something better comes along. Mr. Jockumsen agreed that he has been in meetings with Elk Ridge and they are not to amenable to work with Payson City.

Councilmember Hulet mentioned that a survey needs to be sent out to the citizens. Ms. Hubbs said that she had human resources director Melanie Marsh help her with drafting a survey, but it has been pushed off but not forgotten. Councilmember Hulet said that he would like to include in the budget fund to buy movie tickets that could be given to employees to recognize and reward them for their hard work and efforts.

Councilmember Welton said that he would like to start the teampayson hashtag. He said it is free and anytime someone sees something good happen they can post it with the hashtag teampayson. Councilmember Welton expressed his concern about delaying the building of the reception center and kicking it down the road. Mr. Zobell asked the council if they felt like Mr. Redd could build a \$2 million facility and make money, then why don't they think the city can do it and make money as well. Councilmember Welton said his concern is about it being kicked down the road. He said he wants to find a way to do it soon. Councilmember Phillips said the city needs to get rid of four-bay and free up \$600,000 before they do it. Mr. Zobell said that he is still working on it and he has met with Ms. Hubbs about using the revolving loan fund to build it. Councilmember Welton said he likes the idea of it and wants to make sure that it is moving forward. Mr. Zobell said that his plan is to come back with the projections, so council can make a decision.

MOTION by Councilmember Hulet to appoint Mayor Pro Tem Phillips as Mayor pro tem. Motion seconded by Councilmember Hardy. Motion Carried.

PRAYER & PLEDGE OF ALLEGIANCE: Prayer offered by Karl Teemant; Pledge of Allegiance led by Tracy Zobell

CONSENT AGENDA:

Councilmember Hulet would like the minutes to be changed. He said the minutes on May 4th said that he made the recommendation that the snack shack and restaurant be leased. He said he just brought it up for discussion and to be looked into and would like the minutes updated to reflect that change.

MOTION by Councilmember Hardy to approve the Consent Agenda with the changes as noted. Motion seconded by Councilmember Hulet. Motion Carried.

MOTION by Councilmember Hardy to allow Mayor Pro Tem to amend the agenda. Motion seconded by Councilmember Welton. Motion Carried.

PUBLIC FORUM: Public Forum opened at 6:07 p.m.

Lynn Hiatt asked council to consider letting them do 1 acre lots on the west side. He said that he has checked with the state, county, Santaquin, and Salem City and they will approve septic tanks on one acre lots. He encouraged the council to consider approving septic tanks as well.

Councilmember Welton asked where the property was located. Mayor Pro Tem Phillips said that it is out west by the landfill. Mayor Pro Tem Phillips stated that he remembers Mr. Jockumsen saying that there needs to be a master plan for the area. Mr. Hiatt said that when he talked with Scott and Rick their main concern was hooking onto septic tanks. He said that he has talked with Santaquin and Salem and they are allowing septic tanks as long as they meet the state and county regulations.

Councilmember Hardy mentioned if Mr. Hiatt's property is currently zoned as A5H, then he wouldn't be able to subdivide into one acre lots, so the zoning would have to be addressed. Councilmember Hulet said that he assumes the septic tanks would be built to make it easy to hook onto the sewer system in the future. Mr. Hiatt agreed that he would.

Mayor Pro Tem Phillips asked Mr. Jockumsen who would help Mr. Hiatt install the infrastructure and who would pay for it. Mr. Jockumsen stated that the property owners would have to pay for it as they develop. He said they need a master plan to address all the questions of when a sewer line will be needed and figure out what size it would be. Mr. Sorenson said that if it is rezoned then those conditions will be included in the rezoning of the property. Mayor Pro Tem Phillips invited Mr. Hiatt to come to the public forum meeting on the fifth Wednesday in June.

Public Forum closed at 6:14 p.m.

STAFF REPORTS:

RECREATION – Recreation Director Karl Teemant stated the pool has been filled with water and thanked the fire department for their help filling it. He mentioned they had a great gymnastics meet last weekend and they are hosting their first club track meet tonight.

PUBLIC WORKS - Director Travis Jockumsen mentioned Turf Farm Road was paved and the Lateral 20 extension is about half way done and they avoided the high pressure gas line, but has tracked it with the GPS. He said that they are hoping to have it completed in the next week. He said the water department has been fixing leaks all week and on 8th south and they are planning on paving it tomorrow. Mayor Pro Tem Phillips thanked Mr. Fowden for sending his list of projects to the council.

COUNCIL REPORTS:

Councilmember Welton asked if anyone has any updates on the petition that has been floating around the city. Mr. Jockumsen said that he is working with Mr. Fowden to put together an Request for Proposal (RFP) for a traffic study.

Councilmember Hardy stated that a traffic study was completed last year and asked if that was going to be ignored. Mr. Tuckett said that Chief Bishop will be presenting that study next council meeting. Mr. Tuckett said that study didn't include the little roads and it only included the major arterial roads. Mr. Tuckett said that Mr. Fowden brought out a study from 1978, which addressed the older part of town.

Mayor Pro Tem Phillips asked if MAG would be willing to help with the study, so the city doesn't have to pay for another study. Mr. Jockumsen said that MAG will only focus on regional roads. Mr. Tuckett said that they will ask MAG if they would be willing to help Payson. Councilmember Welton said it would be good to ask MAG before we pay for another study. Mayor Pro Tem said that he is willing to spend the money if it will make the streets safer.

Councilmember Carter complimented Events Coordinator Janeen Dean for putting on the Antique Show that seemed very successful. Mayor Pro Tem Phillips mentioned that he thought the Fleaology is a good thing because it brings people into Payson and then they go to the Antique Show. Mr. Tuckett said that he thinks it is good thing as well, but the location is a problem and it's not legal. Councilmember Hardy agreed that the location of the Fleaology is problematic. Mr. Tuckett stated it is a great event, but needs to find a better location.

Councilmember Hulet asked Ms. Hubbs if she knew how much money was made. She mentioned that the event raised about \$1,000 from the appraisals that was all donated to the Peteetneet and \$200 was made from vendors after all the expenses were paid. Councilmember Hulet mentioned that he was on line and there was conversation about the best golf courses in Utah and someone mentioned Gladstan in Elk Ridge. He said he would like to figure out a way to brand the golf course as the Payson golf course. Mr. Zobell said that he explains that multiple times a day. He said he is currently negotiating a trade deal with a social media group that will correct and direct any comments on social media to help with the marketing of the golf course on social media.

Councilmember Hulet asked if when a citizen calls and asks for a stop sign, if a radar speed sign could be placed on the street for a week, so citizens know the city is aware of the situation. Councilmember Welton said that there may be two permanent radar signs that were included in the budget. Mr. Jockumsen said they cost about \$2,500 each.

Mayor Pro Tem Phillips mentioned that the roads crew hasn't paved yet due to weather, but they'll get going as soon as weather permits. Councilmember Carter mentioned that 6th south and 2nd - 3rd east has been narrowed due to the rain and water ripping up the road. Mayor Pro Tem Phillips thanked Brian and Mike for getting the weeds mowed behind the Huish and mentioned he would like the city properties to be maintained and kept nice. Mayor Pro Tem Phillips expressed his frustration with churches and citizens watering during Sundays and during times that are not optimal. Councilmember Welton suggested putting reminders and tips about watering on facebook.

APPOINTMENT OF BOARD OF ADJUSTMENT MEMBERS

Mr. Tuckett said that the Mayor has recommended that John Wilson and Sue Ann Larson be appointed to the Board of Adjustments. He said John Wilson has been serving, so the Mayor is asking that he be reappointed and Sue Ann Larson would finish out a board member's term that moved out of the city.

Councilmember Hulet asked if in the future there could be bios sent to the council beforehand so they can recommend them with knowledge about them. Mr. Tuckett agreed and said he will try and get information out to them beforehand.

Councilmember Carter said that she talked with Ms. Bufton, who has served on the board and she said that she has never been asked to attend a meeting or talked to about anything. Councilmember Hardy said that they haven't had any requests for years. Mr. Tuckett said they will probably have a request within the next week or two. Mr. Tuckett said they are going to have a land-use attorney come and provide training to the board members. Mr. Tuckett said that a lot of cities have moved away from the Board of Adjustments Committee and has an appeals officer that knows the laws. He said Payson has talked about doing the same thing, but hasn't made any decisions about it.

MOTION by Councilmember Hulet to reappoint John Wilson and appoint Sue Ann Larson to the Board of Adjustments Committee. Motion seconded by Councilmember Hardy. Motion Carried.

MAYOR YOUTH RECOGNITION AWARD

MOTION by Councilmember Hardy to table Mayor Youth Recognition Award. Motion seconded by Councilmember Welton. Motion Carried.

DISCUSSION REGARDING LUMP SUM EASEMENT FOR CELL TOWER

Mr. Tuckett said that American Towers is the manager of the Nextel lease and Nextel was bought out by Sprint, but couldn't get their technology to mesh, so Nextel is no longer in business. He said that council extended their lease in 2014 and will go until 2055. He said the city receives about \$11,000 annually from that lease payment. He stated that American Towers has called him and offered to pay them \$125,000, which would be a perpetual easement for the life of the tower. He said Ms. Hubbs did a net present value and the \$125,000 is worth about 9 to 10 years' worth of payments. He said that they had an agreement with Cricket which they installed the soccer lights as payment, but then they decommissioned the tower and Cricket even paid \$18,000 to the city to leave the tower up. He said because Cricket decommissioned their tower, it has caused him to contemplate whether to accept the lump sum or not.

Councilmember Hulet said he doesn't understand if they can get out of the contract within 30 days and the city doesn't have any guarantee, why would they want to pay \$125,000 when they can just walk away with 30 days' notice. Mr. Tuckett expressed the same hesitations as Councilmember Hulet. Councilmember Welton asked if the growth is heading this way, wouldn't that create a larger demand for towers. Discussion was held regarding the possibility of the need for future technology.

Mayor Pro Tem Phillips asked what other cities are doing with these type of offers. Mr. Tuckett said that a couple of years ago he sent out a message to other city managers and none of them took the lump

May 18, 2016 PAYSON CITY COUNCIL MEETING MINUTES

sum. He said he has been contemplating it a lot more since Cricket has decommissioned their tower. Mayor Pro Tem Phillips said that he would like more information before he makes a decision and the council agreed.

MOTION by Councilmember Carter to go into closed session. Motion seconded by Councilmember Hardy. Motion Carried.

Closed session started at 6:56

RECONVENE TO CITY COUNCIL

Reconvened at 7:28

MOTION by Councilmember Welton to adjourn.

Meeting adjourned at 7:28 p.m.